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Note: This article was updated on October 10, 2012, to reflect current Web addresses. All other information remains unchanged.

Processing of Outpatient Prospective Payment System (OPPS) Claims with Certain Drug Administration Code Pairs

Provider Types Affected

Providers submitting claims to Medicare fiscal intermediaries (FIs) for drug administration services

Provider Action Needed



STOP – Impact to You

This special edition article is being provided by the Centers for Medicare & Medicaid Services (CMS) to address concerns about Correct Coding Initiative (CCI) edits on coding for drug administration services under the Outpatient Prospective Payment System (OPPS).

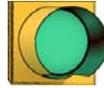


CAUTION – What You Need to Know

Change Request (CR) 5011 (Transmittal 896) instructed FIs to implement CCI edits (Version 12.0) for drug administration services paid under the OPPS and furnished on or after April 1, 2006. When an OPPS claim triggers a CCI edit, the entire claim is not rejected or returned. Instead, only one line item is rejected (i.e., the CCI edits identify pairs of codes that are not appropriately reported together unless an edit permits use of a modifier to signal that the codes represent separate and distinct services/procedures). Hospitals have subsequently expressed concerns about the impact of these CCI edits on coding for drug administration services under the OPPS, and this special edition instructs your FI regarding resolution to these concerns.

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GO – What You Need to Do

See the *Background* and *Additional Information* sections of this article for further details.

Background

CMS updated payment policies for drug administration services furnished under the Hospital OPPS in the Medicare Claims Processing Manual (Pub. 100-04, Chapter 4, Section 230) with CR4258 (Transmittal 785CP, dated December 16, 2005; <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R785CP.pdf>) effective January 1, 2006. Subsequently, the updated payment policies contained in the manual revision generated requests to clarify the new manual language.

Therefore, in order to support continued hospital implementation efforts of correct coding concepts for drug administration services, CMS added clarifying language to the existing policies in the Medicare Claims Processing Manual (Pub.100-04, Chapter 4, Section 230) with the release of CR4388 (Transmittal 902, dated April 7, 2006; <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R902CP.pdf>) effective January 1, 2006.

Issue

CMS instructed FIs to implement Version 12.0 of the CCI edits for drug administration services paid under the OPPS and furnished on or after April 1, 2006, in CR5011 (Transmittal 896, dated March 24, 2006; <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R896CP.pdf>) effective April 1, 2006.

When an OPPS claim triggers a CCI edit, the entire claim is not rejected or returned. Instead, only one line item is rejected. That is, the CCI edits identify pairs of codes that are not appropriately reported together unless an edit permits use of a modifier to signal that the codes represent separate and distinct services/procedures.

Hospitals have subsequently expressed concerns about the impact of these CCI edits on coding for drug administration services under the OPPS.

Solution

To address these concerns, CMS is providing this special edition article to instruct FIs to:

- Institute a process (via the claims processing system used by the FIs) that will add Healthcare Common Procedure Coding System (HCPCS) modifier – 59 (Distinct Procedural Service);

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<http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/downloads/modifier59.pdf>), where appropriate, to the line item containing the HCPCS code in column 2 of the following code pairs (reported with dates of service on or after April 1, 2006, through June 30, 2006) to enable claims to process to payment without triggering a line item rejection and CCI edit.

HCPCS Codes	
Column 1	Column 2
C8950	C8952
C8953	C8950
C8953	C8952
C8954	C8950
C8954	C8952
C8954	C8953

- After the previous step has been taken, FIs should notify providers that they may submit adjustment bills to receive payment if one of the codes in any of the above code pairs has been rejected for payment.

Note: Version 12.1 of the CCI edits (which will be incorporated in the July 2006 OPPS Outpatient Code Editor (OCE) update) will not include CCI edits for the six code pairs listed above.

Additional Information

If you have any questions, please contact your intermediary at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website

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